

House File 787 - Introduced

HOUSE FILE 787
BY COMMITTEE ON ECONOMIC
GROWTH

(SUCCESSOR TO HF 670)

A BILL FOR

1 An Act establishing a butchery innovation and revitalization
2 fund and program to be administered by the economic
3 development authority and creating a task force to explore
4 the feasibility of establishing an artisanal butchery
5 program at a community college or at an institution governed
6 by the state board of regents.
7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. NEW SECTION. 15E.370 Butchery innovation and
2 revitalization fund and program.

3 1. As used in this section unless the context otherwise
4 requires:

5 a. "*Financial assistance*" means assistance provided only
6 from the funds and assets legally available to the authority
7 pursuant to this section and includes assistance in the form of
8 grants, low-interest loans, and forgivable loans.

9 b. "*Fund*" means the butchery innovation and revitalization
10 fund.

11 c. "*Located in*" means the place or places at which
12 a business's operations are located and where at least
13 ninety-eight percent of the business's employees work, or where
14 employees that are paid at least ninety-eight percent of the
15 business's payroll work.

16 d. "*Program*" means the butchery innovation and
17 revitalization program.

18 2. a. The fund is created in the state treasury under
19 the control of the authority and consists of any moneys
20 appropriated to the fund by the general assembly and any other
21 moneys available and obtained or accepted by the authority
22 for placement in the fund. The fund shall be used to award
23 financial assistance as provided under the program. The
24 authority shall use any moneys specifically appropriated for
25 purposes of this section only for the purposes of the program.

26 b. Notwithstanding section 8.33, moneys in the fund
27 that remain unencumbered or unobligated at the close of the
28 fiscal year shall not revert but shall remain available for
29 expenditure for the purposes designated until the close of the
30 succeeding fiscal year.

31 3. The authority shall establish and administer the program
32 for the purpose of awarding financial assistance to eligible
33 businesses for the following projects:

34 a. To expand or refurbish an existing, or to establish a
35 new, state-inspected small-scale meat processing business.

1 *b.* To expand or refurbish an existing, or to establish a
2 new, federally inspected small-scale meat processing business.

3 *c.* To expand or refurbish an existing, or to establish a
4 new, licensed custom locker.

5 *d.* To expand or refurbish an existing, or to establish a
6 new, mobile slaughter unit that operates in compliance with
7 the most current mobile slaughter unit compliance guide issued
8 by the United States department of agriculture food safety and
9 inspection service.

10 4. The authority shall establish eligibility criteria for
11 the program by rule. The eligibility criteria must include all
12 of the following:

13 *a.* The business must be located in this state.

14 *b.* The business must not have been in violation of any
15 federal, state, or local environmental, worker safety, food
16 processing, or food safety laws, rules, or regulations at any
17 time within the last five years.

18 *c.* The business must only employ individuals legally
19 authorized to work in the state.

20 *d.* The business must not currently be in bankruptcy.

21 5. A business seeking financial assistance under this
22 section shall make application to the authority in the manner
23 prescribed by the authority by rule.

24 6. Applications shall be accepted during an annual
25 application period established by the authority. Upon
26 reviewing and scoring all applications that are received during
27 the annual application period, and subject to funding, the
28 authority shall award financial assistance to the selected
29 eligible businesses. The authority shall give priority to
30 eligible businesses whose proposed project under subsection 3
31 will do any of the following:

32 *a.* Create new jobs.

33 *b.* Create or expand opportunities for local small-scale
34 farmers to market processed meat under private labels.

35 *c.* Provide greater flexibility or convenience for local

1 small-scale farmers to have animals processed.

2 7. A business that is awarded financial assistance under
3 this section may apply for financial assistance under other
4 programs administered by the authority.

5 8. The authority shall adopt rules pursuant to chapter 17A
6 to administer this section.

7 Sec. 2. TASK FORCE — ARTISANAL BUTCHERY PROGRAM.

8 1. The artisanal butchery program task force is created
9 within the economic development authority for the purpose of
10 exploring the feasibility of establishing an artisanal butchery
11 program at a community college or at an institution governed
12 by the state board of regents.

13 2. Members of the task force shall be appointed by the
14 director of the economic development authority and must include
15 one representative of the economic development authority and
16 at least one representative of each of the following groups or
17 organizations:

18 a. The Iowa association of community college trustees.

19 b. The Iowa culinary institute.

20 c. Artisan butchers that reside and work in the state.

21 d. The department of agriculture and land stewardship meat
22 and poultry inspection bureau.

23 e. Meat science staff at the extension service at Iowa state
24 university of science and technology.

25 f. The Iowa meat processors association.

26 g. Small-scale hog farmers that farm in the state.

27 h. Small-scale cattle farmers that farm in the state.

28 i. Owners or operators of licensed custom lockers located
29 in the state.

30 j. Owners or operators of state-inspected small-scale meat
31 processing facilities located in the state.

32 k. Owners or operators of federally inspected small-scale
33 meat processing facilities located in the state.

34 1. Individuals who hold a master's or doctoral degree in
35 meat science and who reside in the state.

1 m. The Iowa conservation alliance.

2 3. The economic development authority shall provide the
3 task force with staff and administrative support.

4 4. The task force shall consider staffing and equipment
5 requirements, potential enrollment numbers, overall employment
6 outlook for graduates, apprenticeship and internship
7 opportunities, program costs, curriculum, and regulatory and
8 legal requirements.

9 5. The task force shall submit a report by December 31,
10 2021, to the general assembly and to the chairpersons and
11 the vice-chairpersons of the committees on economic growth
12 and education that includes the task force's findings and
13 recommendations.

14 EXPLANATION

15 The inclusion of this explanation does not constitute agreement with
16 the explanation's substance by the members of the general assembly.

17 This bill establishes a butchery innovation and
18 revitalization fund (fund) and a butchery innovation and
19 revitalization program (program) to be administered by the
20 economic development authority (authority), and creates a task
21 force to explore the feasibility of establishing an artisanal
22 butchery program at a community college or at an institution
23 governed by the state board of regents.

24 The bill creates the fund in the state treasury under
25 the control of the authority, which consists of any moneys
26 appropriated to the fund by the general assembly and any
27 other moneys available to the authority for placement in the
28 fund. The fund must be used to provide financial assistance
29 (assistance) as provided under the program. "Assistance"
30 is defined to include assistance in the form of grants,
31 low-interest loans, and forgivable loans.

32 The authority must use any moneys specifically appropriated
33 for purposes of the program only for the purposes of the
34 program. The appropriated moneys that remain unencumbered or
35 unobligated at the close of the fiscal year do not revert but

1 remain available for expenditure for the program until the
2 close of the succeeding fiscal year.

3 The authority must establish and administer the program
4 for the purpose of awarding assistance to eligible businesses
5 for projects that expand or refurbish, or that establish a
6 new, state or federally inspected small-scale meat processing
7 business, licensed custom locker, or mobile slaughter unit.
8 A mobile slaughter unit must operate in compliance with the
9 most current mobile slaughter unit compliance guide issued by
10 the United States department of agriculture food safety and
11 inspection service.

12 The authority must establish eligibility criteria for the
13 program by rule, and the criteria must include the requirements
14 detailed in the bill. A business seeking assistance under the
15 program must make application to the authority in the manner
16 prescribed by the authority by rule. Applications must be
17 accepted during an annual application period established by
18 the authority. After reviewing and scoring all applications
19 received during the application period, and subject to
20 funding, the authority must award assistance to the selected
21 eligible businesses. The bill requires the authority to give
22 priority to eligible businesses whose proposed project will
23 create new jobs; create or expand opportunities for local
24 small-scale farmers to market processed meat under private
25 labels; or provide greater flexibility or convenience for local
26 small-scale farmers to have animals processed.

27 A business that is awarded assistance under the program may
28 apply for assistance under other programs administered by the
29 authority.

30 The authority is required to adopt rules to administer the
31 fund and program.

32 The artisanal butchery program task force is created within
33 the authority for the purpose of exploring the feasibility
34 of establishing an artisanal butchery program at a community
35 college or at an institution governed by the state board of

1 regents. Members of the task force are appointed by the
2 director of the authority and must include representatives
3 of various groups and organizations as detailed in the bill.
4 The authority must provide the task force with staff and
5 administrative support. The task force must consider staffing
6 and equipment requirements, potential enrollment numbers,
7 overall employment outlook for graduates, apprenticeship and
8 internship opportunities, program costs, curriculum, and
9 regulatory and legal requirements.

10 The bill requires the task force to submit a report
11 by December 31, 2021, to the general assembly and to the
12 chairpersons and the vice-chairpersons of the committees on
13 economic growth and education, that includes the task force's
14 findings and recommendations.